

CHARMAINE PHILIPS PLATENBURG
Certified Public Accountant

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AUDITED FINANCIAL STATEMENTS
OF
FUNDS ON DEPOSIT
ORLEANS PARISH CLERK OF CIVIL DISTRICT COURT
AS OF AND FOR THE YEAR ENDED
DECEMBER 31, 2000

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7-18-01

**FUNDS ON DEPOSIT WITH THE CIVIL DISTRICT COURT FOR ORLEANS PARISH
NEW ORLEANS, LOUISIANA**

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CHARMAINE PHILIPS PLATENBURG
Certified Public Accountant

INDEPENDENT AUDITOR'S REPORT

To: Dale N. Atkins, Clerk of Civil District Court for the Parish of Orleans

I have audited the accompanying statements of financial position of Funds on Deposit with the Civil District Court for the Parish of Orleans, as of December 31, 2000 and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Clerk of Civil District Court. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provide a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Funds on Deposits with the Civil District Court for the Parish of Orleans as of December 31, 2000 and the changes in its net assets and its cash flows for the year then ended in conformity with the generally accepted accounting principles.

In accordance with *Government Auditing Standards*, I have also issued a report dated June 22, 2001 on my consideration of the Organization's internal control structure and on its compliance with laws and regulations.


Charmaine Philips Platenburg, CPA

New Orleans, LA
June 22, 2001

**FUNDS ON DEPOSIT WITH THE
CIVIL DISTRICT COURT FOR THE PARISH OF ORLEANS
STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2000**

	<u>Registry Fund</u>	<u>Appeals Fund</u>
Assets:		
Cash	\$ 7,251,568	\$ 316,476
Certificates of Deposit	-	174,688
FHLMC Discount Note	<u>4,951,285</u>	<u>-</u>
Total Assets	<u><u>\$ 12,202,853</u></u>	<u><u>\$ 491,164</u></u>
 Liabilities & Net Assets:		
Liabilities:		
Deposits by Litigants and		
Interest Credited	\$ 11,858,471	\$ 392,613
Due to Judicial Expense Fund	344,382	-
Undistributed Interest	<u>-</u>	<u>98,551</u>
Total Liabilities	12,202,853	491,164
 Net Assets:	<u>-</u>	<u>-</u>
Total Liabilities & Net Assets	<u><u>\$ 12,202,853</u></u>	<u><u>\$ 491,164</u></u>

**FUNDS ON DEPOSIT WITH THE
CIVIL DISTRICT COURT FOR THE PARISH OF ORLEANS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2000**

TEMPORARILY RESTRICTED NET ASSETS

Investment Return	\$ 694,806
Net Assets Released From Restrictions:	
Transfer to Judicial Expense Fund	(344,382)
Transfer to Undistributed Interest	<u>(350,424)</u>

TEMPORARILY RESTRICTED NET ASSETS

-

NET ASSETS AT BEGINNING OF YEAR

-

NET ASSETS AT END OF YEAR

\$

-

**FUNDS ON DEPOSIT WITH THE
CIVIL DISTRICT COURT FOR THE PARISH OF ORLEANS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2000**

CASH FLOWS FROM ACTIVITIES:

Increase in Net Assets	\$ -
Adjustments to reconcile increase net assets to net cash provided by operating activities:	
Decrease in Deposits By Litigants	(39,318)
Increase Due to Judicial Expense Fund	344,382
Decrease in Undistributed Interest	<u>(265,943)</u>

NET CASH USED IN OPERATING ACTIVITIES:

39,121

NET DECREASE IN CASH AND CASH EQUIVALENTS

39,121

CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR

12,654,896

CASH AND CASH EQUIVALENTS, END OF YEAR

\$ 12,694,017

***NOTES TO THE FINANCIAL STATEMENTS
ORLEANS PARISH CLERK OF CIVIL DISTRICT COURT
NEW ORLEANS, LOUISIANA***

NOTE A – Summary of Significant Accounting Policies

Nature of Activities

The Civil District Court for the Parish of Orleans was created by LSA-R.S. 13:1136. The Registry of Court fund of the Civil District Court (CDC) was created by LSA-R.S. 1305.

Parties to litigation may deposit, or be ordered to deposit, cash or property in these funds in connection with the related litigation. Cash or property so deposited is the property of the litigants and is to be returned or disbursed to them upon the conclusion of the litigation.

The Clerk of Civil District Court is the custodian of the Registry of Court funds. The Clerk generally may only accept deposits into or disburse funds from the registry of court fund by order of the CDC.

With respect to the Registry of Court fund of Civil District Court, state statutes authorize the investment of these funds in interest-bearing accounts. The statutes provide that one-half of the interest earned shall be credited to the litigants' deposits and one-half shall be remitted to the Judicial Expense Fund as reimbursement of administrative costs associated with the Registry of Court fund.

Basis of Presentation

Basis of accounting refers to when revenue and expenses are recognized in the accounts and reported in the financial statements. Revenue from investments is recorded when earned. Expenses are accrued when incurred. The accompanying financial statements for the funds have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

The clerk of court is an independently elected official; however, the clerk of court is fiscally dependant on the Civil District Courts of Orleans Parish. The Civil District Court of Orleans Parish maintains and provides funds for equipment and furniture of the clerk of court's office. Because the clerk of court is fiscally dependent on the police jury, the clerk of court was determined to be a component unit of the Civil District Court of Orleans Parish.

***NOTES TO THE FINANCIAL STATEMENTS
ORLEANS PARISH CLERK OF IVIL DISTRICT COURT
NEW ORLEANS, LOUISIANA***

The accompanying financial statement present information only on the funds maintained by the clerk of court and do not present information on court system, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

Fund Accounting

The clerk of court uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

The Registry of Court Agency Funds and Appeals Fund account for assets held as an agent for others. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing deposits, and time deposits. Under state law, the clerk of court may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Investments

Investments are limited by R.S.33:2955 and clerk of court's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

Cash Flows

For the purpose of the statements of cash flows, the organizations consider cash and cash equivalents to include all highly liquid investments.

NOTES TO THE FINANCIAL STATEMENTS
ORLEANS PARISH CLERK OF CIVIL DISTRICT COURT
NEW ORLEANS, LOUISIANA

NOTE B – Cash and Investments

Cash and investments consisted of the following:

Cash	\$ 7,568,044
Investments	4,951,285
Certificates of Deposit	<u>174,688</u>
	<u>\$12,694,017</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

At December 31, 2000, the clerk has \$7,568,044 in deposits (collected bank balances). These deposits are secured from risk by \$400,000 of federal deposit insurance and \$7,707,534 of pledged securities held by the custodial bank in the name of the fiscal agent bank.

An investment held in the name of the Civil District Court by its agent is a Category 1 investment under GASB 3 requirements. Statues authorize the Civil District Court to invest in direct United States Treasury obligations, bonds, debentures, notes or other indebtedness issued or guaranteed by U.S. government Instrumentalities which are federally sponsored or federal agencies that are backed by the full faith and credit of the United States; short-term repurchase agreements; and time certificates of deposit at financial institutions, state banks and national banks having their principal offices in Louisiana. Securities sold during 2000 totaled \$30,000,000.

The market value of the investment security as of December 31, 2000 is as follows:

	<u>Cost</u>	<u>Unrealized Gain</u>	<u>Unrealized Loss</u>	<u>Market Value</u>
U.S. Government Agency	<u>\$4,951,285</u>	<u>\$48,715</u>	<u>\$,0</u>	<u>\$5,000,000</u>

***NOTES TO THE FINANCIAL STATEMENTS
ORLEANS PARISH CLERK OF CIVIL DISTRICT COURT
NEW ORLEANS, LOUISIANA***

NOTE C – FIDUCIARY FUNDS – AGENCY FUNDS

APPEALS FUND

The Appeals Fund, as provided by Louisiana Revised Statute 13:842, accounts for advance deposits on suits filed by litigants. The advances are refundable to the litigants after all costs have been paid.

REGISTRY OF COURT FUND

The Registry of Court Fund, as provided by Louisiana Revised Statute 13:475, accounts for funds that have been ordered by the court to be held until judgment has been rendered in court litigation. Withdrawal of the funds can be made only upon order of the court.

CHARMAINE PHILIPS PLATENBURG

Certified Public Accountant

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To: Dale N. Atkins, Clerk of Civil District Court for the Parish of Orleans

I have audited the accompanying financial statements of Funds on Deposit with the Civil District Court for the Parish of Orleans as of and for the year ended December 31, 2000, and have issued my report thereon dated June 29, 2001. I conducted my audit in accordance with generally accepted auditing standards and the standards applicable to *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Funds on Deposit with the Civil District Court of the Parish of Orleans financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws and regulations, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Clerk of Civil District Court for the Parish of Orleans' internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters that I considered to be material weaknesses.

This report is intended solely for the information and use of management and others within the organization and over-sight entities and is not intended to be and should not be used by anyone other than those specified parties.

Charmaine Philips Platenburg, CPA
New Orleans, Louisiana
June 22, 2001

**ORLEANS PARISH CLERK OF CIVIL DISTRICT COURT
NEW ORLEANS, LOUISIANA
SUPPLEMENTAL SCHEDULES
As of and for the Year Ended December 31, 2000**

PRIOR AUDIT FINDINGS

There are no prior year audit findings to report on.

CURRENT AUDIT FINDINGS

There are no current year audit findings.

MANAGEMENT LETTER

No management letter will be issued for this engagement. We do not have any comments to report on the operations of the clerk's office with respect to funds on deposit.